

August 24, 2022

Claims Processing Center
C/O Stretto
410 Exchange, Suite 100
Irvine, CA 92602

Case No. 22-10964 (MG) | Southern District of New York | Celsius Network, LLC

To the Honorable Judge Martin Glenn,

On behalf of myself and thousands of other digital asset holders of the token XRP (Ripple); I am concerned regarding the disreputable petition for classification and treatment of stored assets like XRP in my Celsius "Earn" account. We are being informed via news and media outlets, as well as via court filings by Celsius legal counsel, they are petitioning the court to treat digital assets held in a Celsius Network, LLC customer's "Earn" account as belonging to Celsius and not to the customer. Apparently, the fine print of the Celsius customer agreements indicates any assets transferred and held in the "Earn" account should be considered as the asset is belonging to Celsius because it was staked for yield. The sneaky premise here suggests the Customer released custody to Celsius in order to "Earn" staking rewards as Celsius sees fit to offer customer tokens on the open market. On behalf of thousands of XRP digital asset holders, regardless of the outcome of such petitions, Celsius does not even allow any XRP holding to earn staking rewards due to the ongoing lawsuit Case 1:20-cv-10832-AT-SN SEC vs. Ripple Labs; and therefore should have no right nor privilege to any Customer's XRP assets (and others) labeled "Earn".

In my specific case, I simply transferred my more than 20,000 XRP tokens from another exchange directly to my XRP digital asset wallet on Celsius. In April, Celsius unexpectedly split our digital assets into two separate categories to appear in compliance with the SEC which were labeled "Earn" and "Custody" accounts. This was done urgently and at their own discretion. We were told by the CEO that Celsius was in full compliance and there was nothing to worry about like other exchanges, which is why they did this. Due to frequent interviews and YouTube videos offered by Alex Machinsky, CEO of Celsius, we were told that Celsius is not competing with other exchanges for customers to buy, sell, and trade their digital assets, but rather Celsius should be seen as a safe and secure platform to store our tokens; and in many cases earn high yield staking rewards if available. Celsius encouraged all of us to "Unbank" ourselves and enjoy yield. In the case of XRP, Celsius like most other digital asset exchanges either stopped allowing trading of XRP and/or ceased allowing staking rewards on held XRP due to the ongoing SEC lawsuit with Ripple, the company which owns/distributes the XRP token. At no time have I ever earned any staking rewards for any of my XRP tokens, as the ability to earn and stake XRP on Celsius' platform has been completely restricted since I became a Celsius customer. My nearly \$20K worth of XRP were simply stuck in the "Earn" account by Celsius technology managers to essentially appease the government; and never earned any yield or staking rewards whatsoever.

Therefore, my contention is that just because Celsius decided to label accounts as "Earn" and "Custody" to deceptively placate the SEC, it does not mean the assets actually in "Earn" were used in such capacity or benefited from such use; and neither should this allow Celsius the claim or right to take our assets as belonging to Celsius or its subsidiaries. I am a non-profit administrator entering my thirty-fifth year of community service in Connecticut. Not only have I painstakingly invested my hard-earned money paycheck by paycheck, but also decided to transfer the investment to the Celsius Network for secure safekeeping – only to now have it hinging on this false claim that it no longer belongs to me and my family, but to Celsius since it was "labeled" as being in an "Earn" account, and earning staking rewards; while in fact never earning any staking rewards or yield ever. On behalf of myself and the thousands of XRP digital asset holders suffering the same potentially unfavorable outcome, please consider this clear misleading inconsistency when ruling on Celsius' petitions to treat XRP and maybe other similar assets in the "Earn" accounts as belonging to Celsius. Please do not allow this injustice to take place as it is merely another legal trick to steal countless more assets from people like me to look better on a balance sheet for Celsius to negotiate Ch. 11 exit from.

Thank you for your consideration in this matter.

Respectfully,


Joseph A Marcia

CC: Honorable Judge Martin Glenn
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